

6825 South 5300 West P.O. Box 851 Price, UT 84501 phone 435.613.9777 fax 435.613.9782

May 29, 2003

Ms Diana Mason State of Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 SLC, Utah 84114-5801

RE: Application for Permit to Drill-Feichko 15-674, SW/4 NW/4 Sec. 15 T15S, R10E, SLB & M, Carbon County, Utah

Dear Ms. Mason:

Enclosed is the original of the *Application for Permit to Drill* (APD). Included with the APD is the following information:

Exhibit "A"- Survey Plat of the Proposed Well Site;

Exhibit "B" - Proposed Location Map with Pipeline, Power, and Road Access;

Exhibit "C" - Drilling Site Layout;

Exhibit "D" - Drilling Information

Exhibit "E" - Multipoint Surface Use Plan

Exhibit "F" - Typical Road Cross-section;

Exhibit "G" - BOP Diagram;

Exhibit "H" - Typical Wellhead Manifold;

Exhibit "I" - Evidence of Bond;

COPY

CONFIDENTIAL

RECEIVED
JUN 0 2 2003

DIV. OF OIL, GAS & MINING

This proposed well is located more than 460 feet from the exterior boundary of the Drunkards Wash Federal Unit. Well spacing is in accordance with Cause No. 137-2(B), which applies to proposed wells outside of the Unit Boundary in this area, and will not be an exception location under Utah Administrative Code Rule R649-3-3-1.3.

Please accept this letter as ConocoPhillips' written request for confidential treatment of all information contained in and pertaining to this permit application, if said information is eligible for such consideration.

Thank you very much for your timely consideration of this application. Please feel free to contact me if you have any questions.

Sincerely,

Jean Semborski

**Permitting Supervisor** 

cc: Mr. Eric Jones, BLM, Moab, Utah

en Subristi

Mr. Gene Herrington, Texaco

Mr. John Lennon, Dominion Resources

Mr. Don Stephens, BLM, Price, Utah

Ms. Jane Strickland, ConocoPhillips

Mrs. Deanna Walker, ConocoPhillips

Mr. Mark Jones, DOGM, Price, Utah

ConocoPhillips Well File

### STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

AMENDED REPORT	١
(HIGHLIGHT CHANGES)	

AI	APPLICATION FOR PERMIT TO DRILL  5. MINERAL LEASE NO. 6. SURFACE Private					
A. Type of Work: DRILL \( \bigcup \) REENTER \( \bigcup \) DEEPEN \( \bigcup \)			7. IF INDIAN, ALLOTTEE OR $N/A$	TRIBE NAME:		
B. Type of Well: OIL	8. Type of Well: OIL GAS OTHER: SINGLE ZONE MULTIPLE ZONE			8. UNIT OF CA AGREEMENT N N/A	IAME:	
2. NAME OF OPERATOR:	onocoPhillips Compan	y		9. WELL NAME and NUMBER Feichko 15-674	R:	
	6825 South 5300 West, P.O. E	Box 851, Price, Utah	84501 PHONE NUMBER (435) 613-9		undes maked	
4. LOCATION OF WELL (FOOTA	GES) 4374	7244 <b>39</b> .		11. QTR/QTR, SECTION, TOV SW/4 NW/4 Section	VNSHIP, RANGE, MERIDIAN:	
AT SURFACE: 1487	FNL, 1215' FWL 5/7'	908 × -110.	79145	SLB&M	, , ,	
AT PROPOSED PRODUC						
14. DISTANCE IN MILES AND D 5.9 miles south of	rection from nearest town or Price, UT	POST OFFICE:		12. COUNTY: Carbon	13. STATE: UTAH	
15. DISTANCE TO NEAREST P	ROPERTY OR LEASE LINE (FEET)	16. NUMBER OF ACRES	IN LEASE:	17. NUMBER OF ACRES ASSIGNE 160 acres	D TO THIS WELL:	
18. DISTANCE TO NEAREST W APPLIED FOR) ON THIS LEASE	ELL (DRILLING, COMPLETED, OR (FEET) 2900'	19. PROPOSED DEPTH:		20. BOND DESCRIPTION: Rotary		
,	1. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.)  5554.9' GR		E WORK WILL START:	23. ESTIMATED DURATION:		
24.		Aug. 2003 ED CASING AND	CEMENTING PRO	OGRAM		
SIZE OF HOLE	CASING SIZE, GRADE, AND WI	EIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, Y	IELD, AND SLURRY WEIGHT	
14"	12 3/4" Conducto	or	40'			
11"	11" J-55 8 5/8" 24#/ft		123'	55 sks G+2&CaCl+1/4#/	sk flocel	
7 7/8"	N-80 5 1/2" 17#/ft		1220'	75 sks 50/50poz8%gel+2	2%CaCl+1%extender	
				80 sks "G" thixtropic	80 sks "G" thixtropic	
	<u> </u>				DDV	
25. ATTACHMENTS						
VERIFY THE FOLLOWING ARE	ATTCHED IN ACCORDANCE WITH TH	E UTAH OIL AND GAS CO	NSERVATION RULES:			
WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER						
EVIDENCE OF DIV	EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER  FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER			COMPANY OTHER THAN		
	1					
Name & Signature: Jean Semborski Jea						
(This space for state use only)			roved by the			
API Number Assigned: 4	3-007-3092Le		h Division Apploval:	F.	RECEIVED	

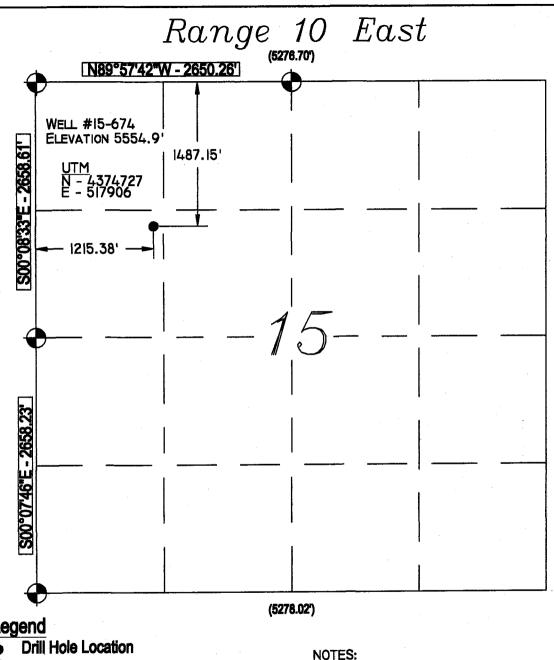
(11/2001)

JUN 0 2 2003

DIV. OF OIL, GAS & MINING

4

 $\pi$ 



Legend

South

Township

**Brass Cap (Found)** 

Brass Cap (Searched for, but not found)

Rock Pile

GLO

**GPS Measured** 

I. UTM AND LATITUDE / LONGITUDE COORDINATES ARE DERIVED USING A GPS PATHFINDER AND ARE SHOWN IN NAD 27 DATUM.

\_AT / LONG 39°31'19"N 110°47'30"W Location:

THE WELL LOCATION WAS DETERMINED USING A TRIMBLE 4700 GPS SURVEY GRADE LINIT.

Basis of Bearing: THE BASIS OF BEARING IS GPS MEASURED.

GLO Bearing: THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED FROM THE U.S. LAND OFFICE.

 $Basis \ of \ Elevation.$  Basis of Elevation of 5585' being at the Northwest Section Corner OF SECTION 15, TOWNSHIP 15 SOUTH, RANGE 10 EAST, SALT LAKE BASE AND MERIDIAN, AS SHOWN ON THE PRICE QUADRANGLE 7.5 MINUTE

Description of Location:
PROPOSED DRILL HOLE LOCATED IN THE SWI/4 NWI/4 OF SECTION 15. TISS, RICE, S.L.B.&M., BEING 1487.15' SOUTH AND 1215.38' EAST FROM THE NORTHWEST CORNER OF SECTION 15, T15S, RIOE, SALT LAKE BASE & MERIDIAN.

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



( IN FEET )

1 inch = 1000 ft.



Carbon Cou	ınty, Utah
BEN SCOTT	Checked By: L.W.J./A.J.S.
Drawing No.	Date: 05/19/03
A-1	Scale:  " =  000'
Sheet 1 of 4	Job No. 829

# EXHIBIT "D" DRILLING PROGRAM

Attached to Form 3 ConocoPhillips Feichko 15-674 SW/4, NW/4, Sec.15, T15S, R10E, SLB & M 1487' FNL, 1215' FWL Carbon County, Utah

### 1. The Surface Geologic Formation

Mancos Shale

### 2. Estimated Tops of Important Geologic Markers

Blue Gate/Ferron 780'

### 3. Projected Gas & H2O zones (Ferron Formation)

Coals and sandstones 810' - 930'

No groundwater is expected to be encountered.

Casing & cementing will be done to protect potentially productive hydrocarbons, lost circulation zones, abnormal pressure zones, and prospectively valuable mineral deposits. All indications of usable water will be reported.

Surface casing will be tested to 1400 psi.

### 4. The Proposed Casing and Cementing Programs

HOLE	SETTING DEPTH	SIZE WEIGHT, GRADE	NEW,
<u>SIZE</u>	(INTERVAL)	(OD) <u>&amp; JOINT</u>	USED
14"	40'	12-3/4" Conductor	New
11"	123'	8-5/8" 24#ST&C	New
7-7/8"	1220'	5-1/2 17#LT&C	New

### Cement Program -

Surface Casing: 55 sks G+2%CaCl+1/4#per sack flocel;15.8#/gal,density,

1.15 cu.ft/sk yield. Every attempt will be made to bring

cement back to surface.

Production Casing: 75 sks 50/50 poz 8%gel +2%CaCl+10%extender;12.5#/gal,

density, 1.92 cu.ft/sk yield.

80 sks "G" thixotropic, 14.2#/gal density, 1.61 cu.ft/sk yield

### The following shall be entered in the driller's log:

- 1) Blowout preventer pressure tests, including test pressures and results;
- 2) Blowout preventer tests for proper functioning;
- 3) Blowout prevention drills conducted;
- 4) Casing run, including size, grade, weight, and depth set;
- 5) How the pipe was cemented, including amount of cement, type, whether cement circulated, location of the cementing tools, etc.;
- 6) Waiting on cement time for each casing string;
- 7) Casing pressure tests after cementing, including test pressures and results.

### 5. The Operator's Minimum Specifications for Pressure Control

Exhibit "G" is a schematic diagram of the blowout preventer equipment. A double gate 3000 psi BOPE will be used with a rotating head. This equipment will be tested to 2000 psi. All tests will be recorded in a Driller's Report Book. Physical operation of BOP's will be checked on each trip.

### 6. The Type and Characteristics of the Proposed Circulating Muds

0-300	11" hole	Drill with air, will mud-up if necessary.
300-TD	7 7/8" hole	Drill with air. 400 psi @ 1500-1800 Scf.

### 7. The Testing, Logging and Coring Programs are as followed

300-TD Gamma Ray, Density, Neutron Porosity, Induction, Caliper

### Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure expected is 533\_psi max. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

### 8. Anticipated Starting Date and Duration of the Operations.

The well will be drilled around August 2003.

Verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

- (a) prior to beginning construction;
- (b) prior to spudding;
- (c) prior to running any casing or BOP tests;
- (d) prior to plugging the well, for verbal plugging instructions.

Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall be reported to the Division of Oil, Gas & Mining immediately.

# EXHIBIT "E" MULTIPOINT SURFACE USE PLAN

Attached to Form 3 ConocoPhillips Feichko 15-674 SW/4, NW/4, Sec.15, T15S, R10E, SLB & M 1487' FNL, 1215' FWL Carbon County, Utah

### 1. Existing Roads

- a. We do not plan to change, alter or improve upon any existing state or county roads.
- b. Existing roads will be maintained in the same or better condition. See Exhibit "B".

#### 2. Planned Access

Approximately 1800' of new access is required (See Exhibit "B")

- a. Maximum Width: 24' travel surface with 27' base
- b. Maximum grade: 4%
- c. Turnouts: None
- d. Drainage design: 3 culverts may be required. Water will be diverted around well pad as necessary.
- e. If the well is productive, the road will be surfaced and maintained as necessary to prevent soil erosion and accommodate year-round traffic.
- f. Pipe and Power lines will follow the proposed access road.

### 3. Location of Existing Wells

a. See Exhibit "B". There are 3 proposed and 3 existing wells within a one-mile radius of the proposed location.

### 4. Location of Existing and/or Proposed Facilities

- a. If the well is a producer, installation of production facilities will be as shown on Exhibit "H". Buried powerlines run along access on the east and north, gathering lines on the south or west.
- b. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

### 5. Location and Type of Water Supply

- a. Water to be used for drilling will be purchased from the Price River Water Improvement District (a local source of municipal water) (tel. 435-637-6350).
- b. Water will be transported by truck over approved access roads.
- c. No water well is to be drilled for this location.

### 6. Source of Construction Materials

- a. Any necessary construction materials needed will be obtained locally and hauled to the location on existing roads.
- b. No construction or surfacing materials will be taken from Federal/Indian land.

### 7. Methods for handling waste disposal

- a. As the well will be air drilled, a small reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will not be lined unless conditions encountered during construction warrant it or if deemed necessary by the DOGM representative during the pre-site inspection. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operation cease with woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.
- b. Following drilling, the liquid waste will be evaporated from the pit and the pit back-filled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or location.
- c. In the event fluids are produced, any oil will be retained in tankage until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.
- d. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

### 8. Ancillary Facilities

a. We anticipate no need for ancillary facilities with the exception of one trailer to be located on the drill site.

### 9. Wellsite Layout

- a. Available topsoil will be removed from the location and stockpiled. Location of mud tanks, reserve and berm pits, and soil stockpiles will be located as shown on the attachments.
- b. A blooie pit will be located 100' from the drill hole. A line will be placed on the surface from the center hole to the pit. The pit will not be lined, but will be fenced on four sides to protect livestock/wildlife.
- c. Access to the well pad will be as shown on Exhibit "B".
- d. Natural runoff will be diverted around the well pad.

#### 10. Plans for Restoration of Surface

- All surface areas not required for producing operations will be graded to as near original condition as possible and contoured to maintain possible erosion to a minimum.
- b. Available topsoil will be stockpiled and will be evenly distributed over the disturbed areas and the area will be reseeded as prescribed by the landowner.
- c. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.

### 11. Surface Ownership:

a. The wellsite and access road will be constructed on lands owned by Violet Feichko Family Trust. The operator shall contact the landowner representative and the Division of Oil, Gas and mining 48 hours prior to beginning construction activities. Surface Owner Contact Information:

Violet Feichko Family Trust 1210 East 5500 South

Price, Utah 84501

Phone: 435/637-0311

### 12. Other Information:

- a. The primary surface use is farming and grazing. The nearest dwelling is approximately 2000' south.
- b. Nearest live water is Miller Creek located at 2600' south.
- c. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed and piled downhill from the topsoil stockpile location.
- d. The backslope and foreslope will be constructed no steeper than 4:1.
- e. All equipment and vehicles will be confined to the access road and well pad.
- f. A complete copy of the approved Application for Permit to Drill (APD) including conditions and stipulations, shall be on the wellsite during construction and drilling operations

There will be no deviation from the proposed drilling and/or workover program without prior approval from the Division of Oil, Gas & Mining.

### 13. Company Representative

Jean Semborski
Permitting Supervisor
ConocoPhillips
6825 S. 5300 W. P.O. Box 851
Price, Utah 84501
(435) 613-9777
(435) 820-9807

Mail Approved A.P.D. To:

Company Representative

- Subrili

### **Excavation Contractor**

Nelco Contractors Inc. Larry Jensen (435) 637-3495 (435) 636-5268

#### 14. Certification

I hereby certify that I, or persons under my direct supervision have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with the operations proposed herein will be performed by ConocoPhillips and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

<u>5/29/03</u> Date

Jean Semborski Permitting Supervisor

ConocoPhillips

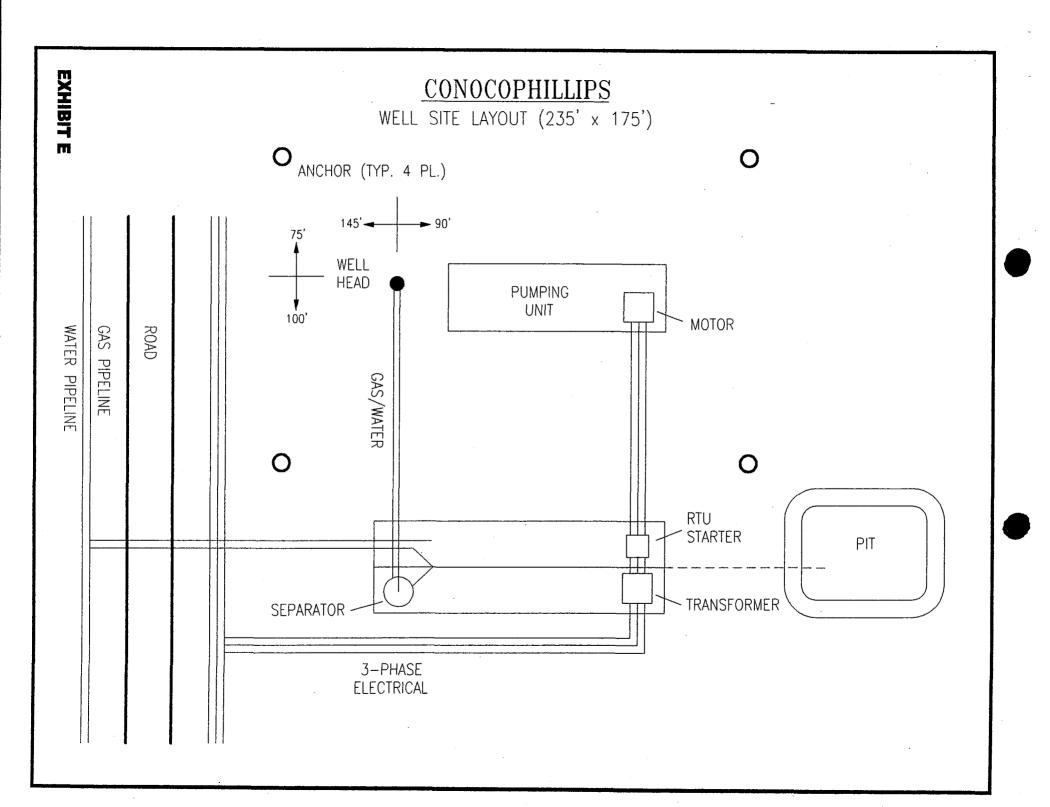
# STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL, GAS AND MINING

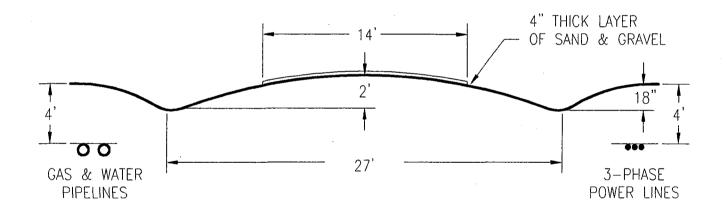
Bond No. 6196922

(5/2002)

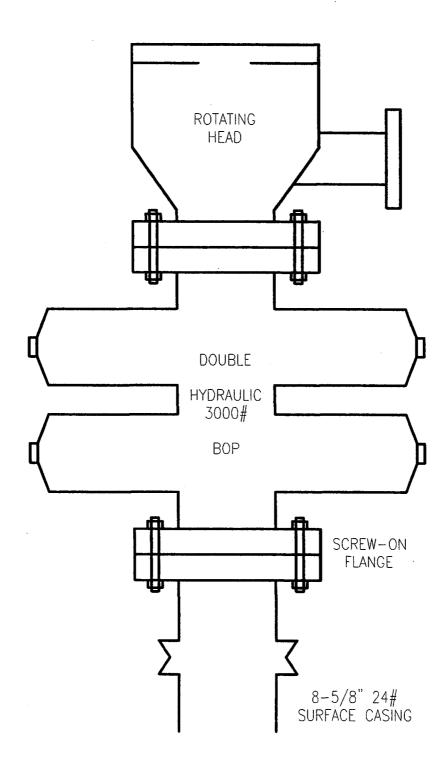
	SURETY BOND
KNOW ALL MEN BY THESE PRESENTS:	
That we (operator name)CONOCOPHILLIPS CON	4PANY as Principal,
and	
(surety name) SAFECO INSURANCE COMPANY OF and qualified to do business in the State of Utah, are he	AMERICA as Surety, duly authorized and firmly bound unto the State of Utah in the sum of:
EIGHTY THOUSAND AND NO/100******	**************************************
lawful money of the United States, payable to the Direct benefit of the State of Utah for the faithful payment of wi severally by these presents.	tor of the Division of Oil, Gas and Mining, as agent of the State of Utah, for the use and hich we bind ourselves, our heirs, executors, administrators and successors, jointly and
repairing, operating, and plugging and abandonment of	IAT, WHEREAS the Principal is or will be engaged in the drilling, redrilling, deepening, a well or wells and restoring the well site or sites in the State of Utah for the purposes of fluids in connection therewith for the following described land or well:
X Blanket Bond: To cover all wells	drilled in the State of Utah
Individual Bond: Well No:	
Section:	Township: Range:
County:	, Utah
officers and its corporate or notary seal to be affixed this	
301 day of Dec	
(Corporate or Notary Seal here)	CONOCOPHILLIPS COMPANY  Principal (company name)
Ву	Junes F. Hushes Corporate Insurance
	Name (print) Title Manager
Attestee: 6 Throw Date: 12 30 00	Signature
N TESTIMONY WHEREOF, said Surety has caused this	is instrument to be signed by its duly authorized officers and its corporate or notary seal
1ST day of JANUARY	, 20 <u>_03</u>
	SAFECO INSURANCE COMPANY OF AMERICA: Surety Company (Attach Power of Attorney)
Corporate or Notary Seal here) By	TINA MARIE FOSTER ATTORNEY-IN-FACT  Name (print)  Title
	Jua Marie 8
Carola & Ishailes	Signature
Carolyn L. Wheeler Date: 12/20/2002	Signature  C/O MARSH USA INC;  Surety Mailing Address
	C/O MARSH USA INC



### TYPICAL ROAD CROSS-SECTION



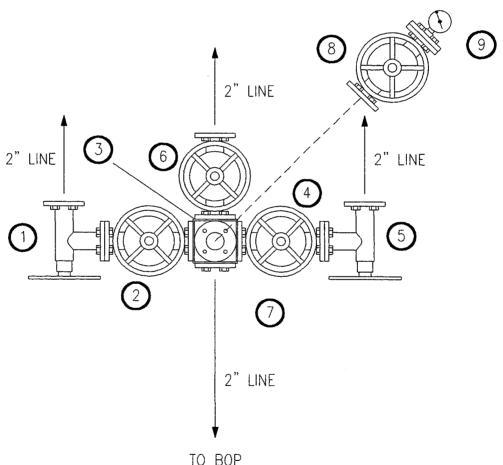
## DIVERTER HEAD



- 5M FLANGED CHOKE
- 5M GATE VALVE (FLANGED)
- 2" 5M STUDDED CROSS 2" 5M GATE VALVE (FLANGED)
- 2" 5M FLANGED CHÔKE
- 2" 5M GATE VALVE (FLANGED)
- 2" LINE
- 2" 5M GATE VALVE (FLANGED)
- 3000# GAUGE

### NOTE:

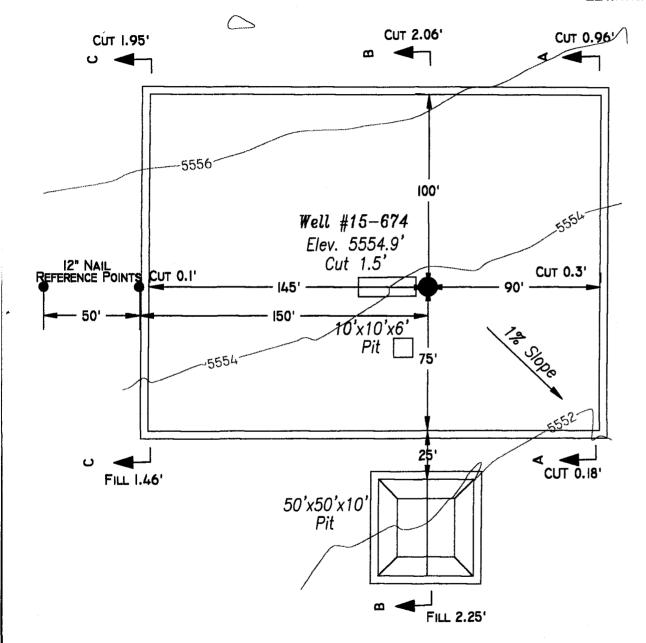
NUMBER 8 GATE VALVE SITS ON TOP OF MANIFOLD BETWEEN STUDDED CROSS AND 3000# GAUGE.



TO BOP AND A NEW 2" BALL VALVE FULL OPEN 5000 PSI

### **MANIFOLD**

**EXHIBIT H** 







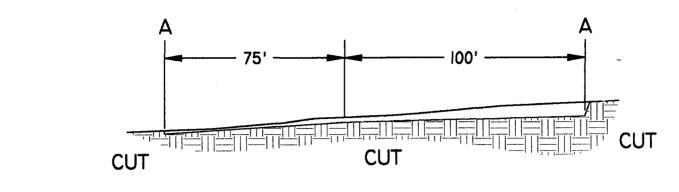
### TALON RESOURCES, INC.

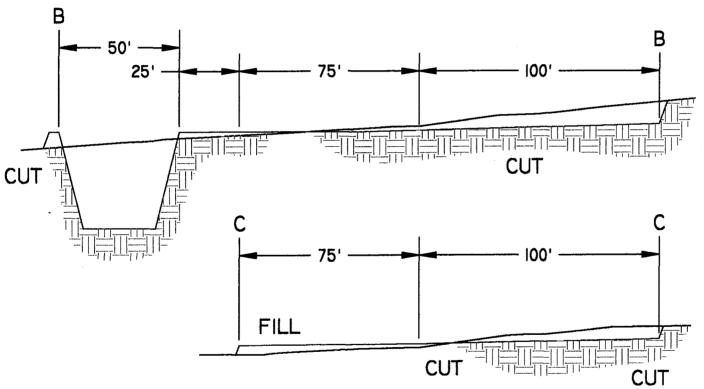
195 North 100 West P.O. Box 1230 Huntington, Utah 84526 Phone (455637-878) Fax (455687-5311 E-Mail talonesty.net

### Conoco Phillips Company

LOCATION LAYOUT Section 15, T15S, R10E, S.L.B.&M. WELL #15-674

BEN SCOTT	Checked By: L.W.J.
Drawing No.	Date: 05/15/03
A-2	Socie: 1" = 50'
Sheet 2 of 4	Job No. 829





SLOPE = | 1/2 : | (EXCEPT PIT) PIT SLOPE = | ; |

X-Section

Scale

1"=40



### TALON RESOURCES, INC.

195 North 100 West P.O. Box 1230
Huntington, Utah 84526
Phone (455)637-6781 Fax (455)667-5311
E-Mail talonsetv.net

### ConocoPhillips Company

TYPICAL CROSS SECTION Section 15, T15S, R10E, S.L.B.&M. WELL #15-674

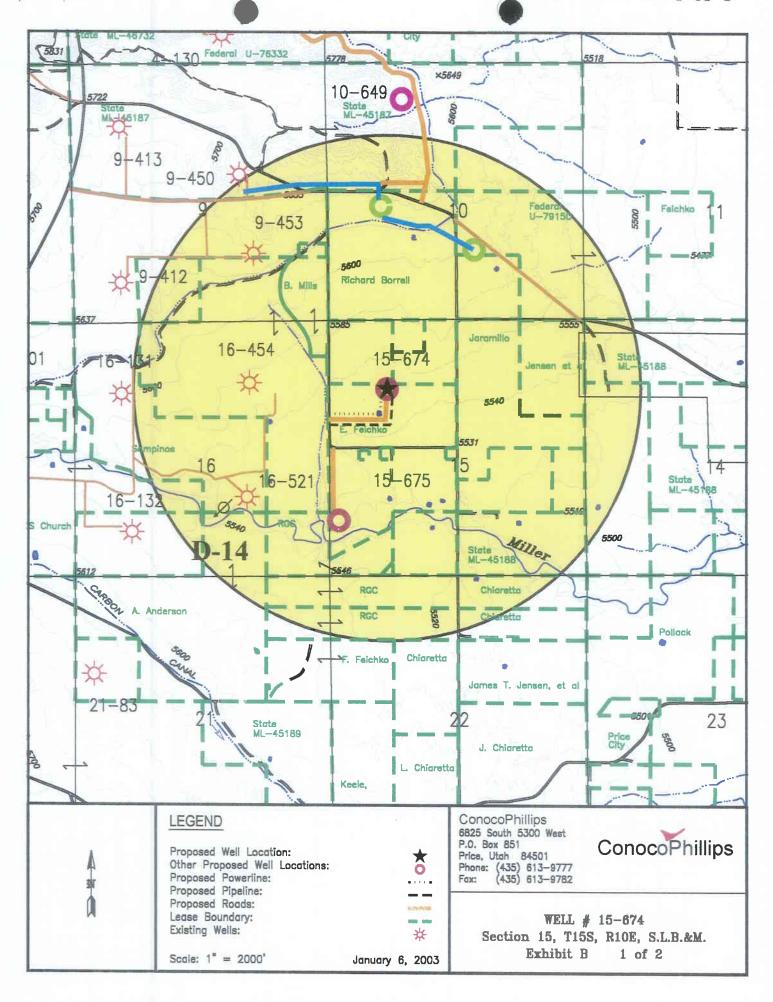
Drawn By: BEN SCOTT	Checked By: L.W.J.
Drawing No.	Date: 05/15/03
C-1	Scale: 1" == 40'
Sheet S of 4	Job No. 829

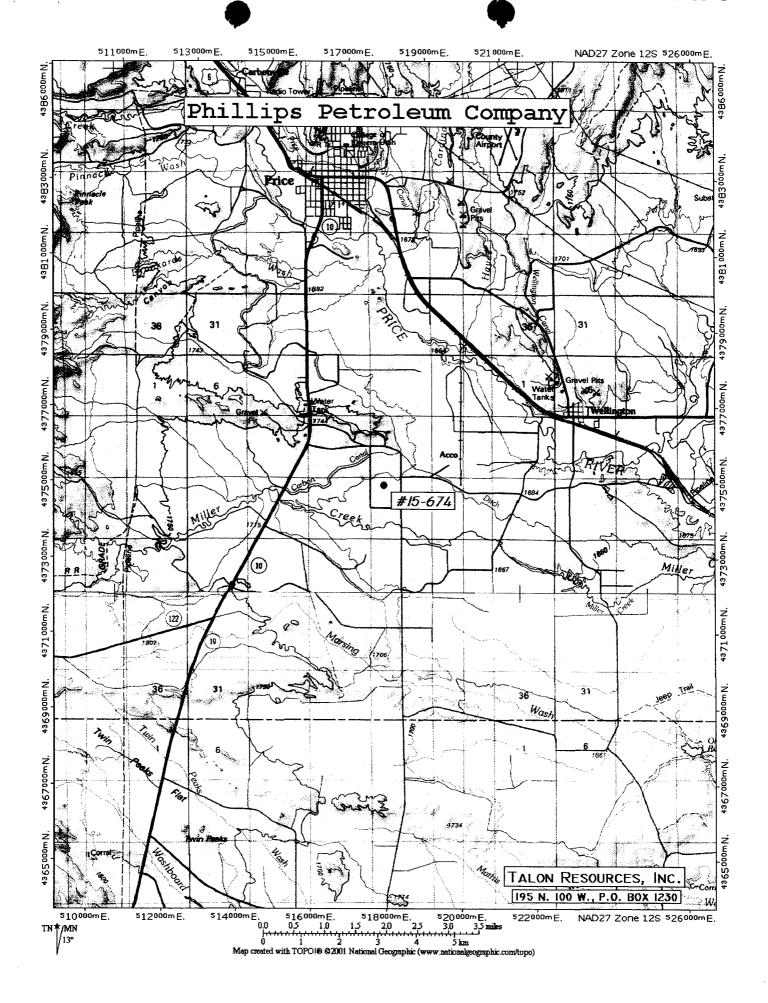
### APPROXIMATE YARDAGES

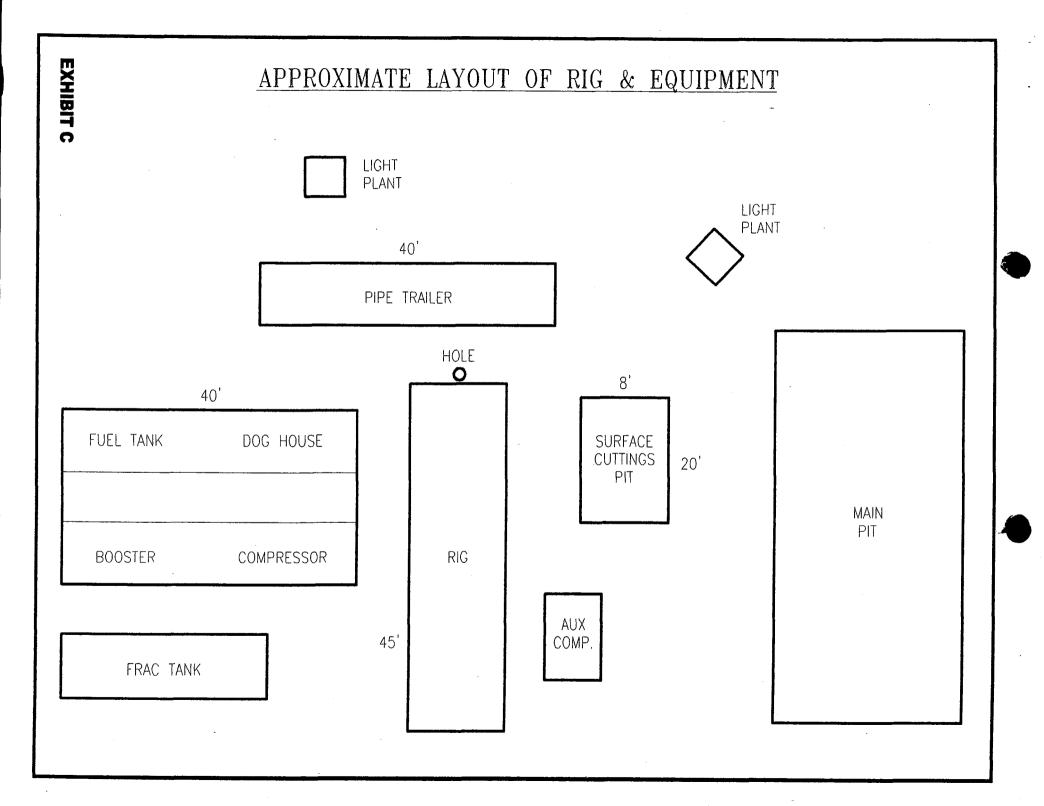
ICUT

(6")Topsoil Stripping = 750 Cu. Yds. Remaining Location = 1,045 Cu, Yds.

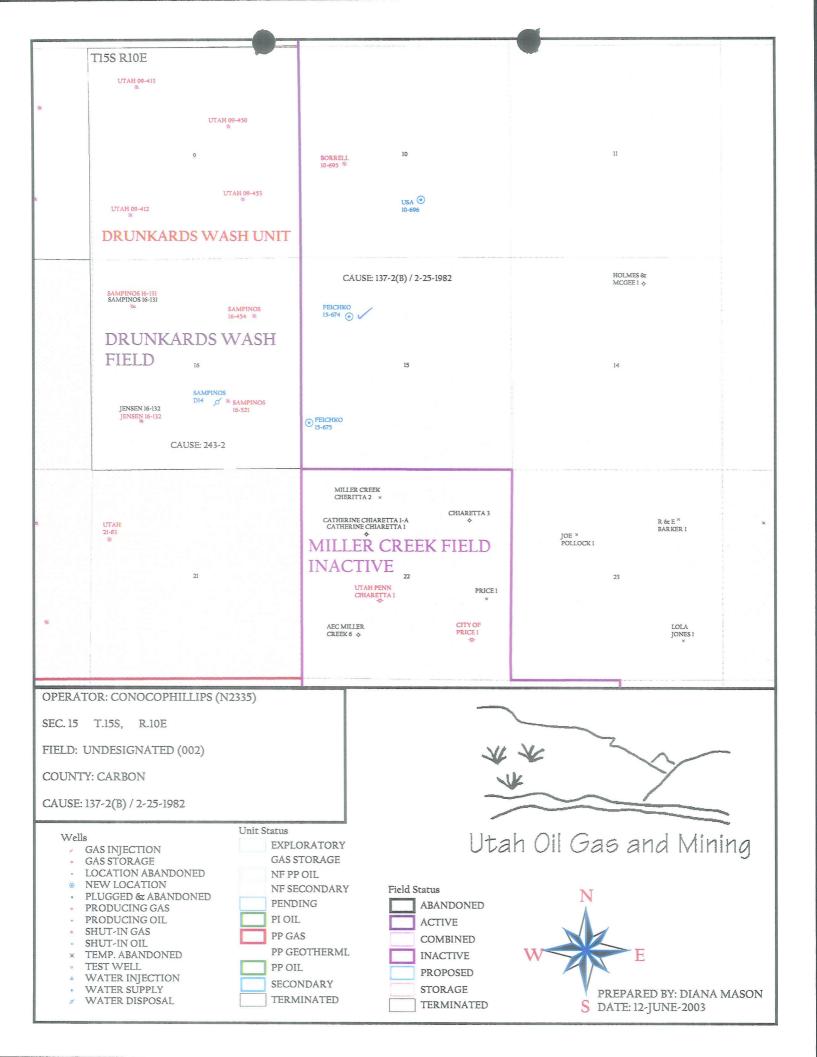
TOTAL CUT = 1,650 Cu. YDS. TOTAL FILL = 270 Cu. YDS.

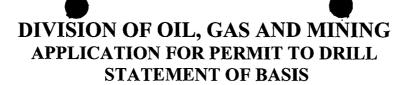






APD RECEIVED: 06/02/2003	API NO. ASSIGN	ED: 43-007-309	26
WELL NAME: FEICHKO 15-674  OPERATOR: CONOCOPHILLIPS COMPANY ( N2335  CONTACT: JEAN SEMBORSKI	) PHONE NUMBER: 4	35-613-9777	
PROPOSED LOCATION:	INSPECT LOCATI	N BY: /	/
SWNW 15 150S 100E SURFACE: 1487 FNL 1215 FWL	Tech Review	Initials	Date
BOTTOM: 1487 FNL 1215 FWL CARBON	Engineering	DNO	7/22/03
UNDESIGNATED ( 2 )	Geology		
LEASE TYPE: 4 - Fee	Surface		
PROPOSED FORMATION: FRSD  RECEIVED AND/OR REVIEWED:  Plat  Bond: Fed[] Ind[] Sta[] Fee[4]  (No. 6196922 )  Potash (Y/N)  N Oil Shale 190-5 (B) or 190-3 or 190-13  Water Permit  (No. MUNICIPAL )  RDCC Review (Y/N)  (Date: )  Rece Surf Agreement (Y/N)	R649-3-3.  Drilling Un	ING:  General  From Qtr/Qtr & 920'  Exception	
COMMENTS: Need Prest (Red  STATEMENT	R649-3-11.	Directional Dr	•





OPERATOR:	Phillips
WELL NAME & NUMBER:	Feichko 15-674
API NUMBER:	43-007-30926
LOCATION: 1/4,1/4 SWNW Se	ec: 15 TWP: 15S RNG: 10E 1487 FNL 1215 FWL

### **Geology/Ground Water:**

Owing to bank seepage along the Carbon Canal, a minor ground water resource may be encountered in saturated soil. The surficial geology is mapped as Quaternary Slope Wash over the Blue Gate Shale Member of the Mancos Shale and is most likely poorly permeable. The proposed casing and cement program will adequately isolate any zones of water penetrated. Many water rights have been filed on Miller Creek (and one on the Price River) for stock watering but none are filed on water wells.

Reviewer: Christopher J. Kierst Date: 7/11/03

### Surface:

Proposed location is ~4.5 miles South of Price, Utah. The direct area drains to the South into Miller Creek and then east into the Price River, a year-round live water source. The soil is a silty clay and is erosive upon disturbance. Proposed access will be from the west off of an existing county road. The high water table of the immediate area was discussed in relation to construction of the well site and reserve pit and protective measures were discussed and agreed upon. Other issues discussed were zoning issues, disturbance to nearby residences, and access from county roads. Violet Feichko and Bruce Feichko, surface owners, were present during the on-site. Carbon County was invited and was also in attendance for this on-site meeting.

Reviewer: <u>Mark L. Jones</u>	Date:_	July 7, 2003	
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### **Conditions of Approval/Application for Permit to Drill:**

- 1. Culverts as needed where crossing drainages sufficient to handle run-off.
- 2. Berm the location and pit to deflect runoff from entering location and prevent any drilling and/or production fluids from leaving the location.
- 3. A min 12 mil synthetic liner will be required in the reserve pit.

# ON-SITE PREDRILL EVALUATION Division of Oil, Gas and Mining

**OPERATOR:** Phillips

WELL NAME & NUMBER: Feichko 15-674

**API NUMBER:** 43-007-30926

LEASE: Fee FIELD/UNIT:

LOCATION: 1/4,1/4 SWNW Sec: 15 TWP: 15S RNG: 10E 1487 FNL 1215 FWL

**LEGAL WELL SITING:** 1000' from drilling unit boundary.

GPS COORD (UTM): X = 517906 E; Y = 4374727 N SURFACE OWNER: Violet Feichko.

#### PARTICIPANTS

M. Jones (DOGM), J. Semborski (Phillips), L. Jensen (NELCO), Violet Feichko and Bruce Feichko (surface). G. Williams and Richard Tatton (Carbon County) were also in attendance at this onsite.

### REGIONAL/LOCAL SETTING & TOPOGRAPHY

Proposed location is ~4.5 miles South of Price, Utah. The direct area drains to the South into Miller Creek and then east into the Price River, a year-round live water source. The soil is a silty clay and is erosive upon disturbance. Proposed access will be from the west off of an existing county road.

#### SURFACE USE PLAN

CURRENT SURFACE USE: Grazing and farming activities.

PROPOSED SURFACE DISTURBANCE: 235' x 175' and a 50' x 50' x 10' pit.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: 2 proposed gas wells, 5 producing gas wells, 1 SWD well, and 2 PA wells are within a 1 mile radius of the above proposed well.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Along roadside.

SOURCE OF CONSTRUCTION MATERIAL: Obtained locally and transported in.

ANCILLARY FACILITIES: None anticipated.

### WASTE MANAGEMENT PLAN:

Portable chemical toilets which will be emptied into the municipal waste treatment system; garbage cans on location will be emptied into centralized dumpsters which will be emptied into an approved landfill. Crude oil production is unlikely. Drilling fluid, completion / frac fluid and cuttings will be buried in the pit after evaporation and slashing the pit liner. Produced water will be gathered to the evaporation pit and eventually injected into the Navajo Sandstone via a salt-water disposal well. Used oil from drilling operations and support is hauled to a used oil recycler and reused.

### ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: The immediate area of the proposed location has a high water table, fed by the Carbon Canal ~.5 mile North.

FLORA/FAUNA: Greasewood, salt grass.
SOIL TYPE AND CHARACTERISTICS: Silty clay.
EROSION/SEDIMENTATION/STABILITY: Erosive upon disturbance.
PALEONTOLOGICAL POTENTIAL: None observed.
RESERVE PIT
CHARACTERISTICS: Dugout earthen pit.
LINER REQUIREMENTS (Site Ranking Form attached): Liner required.
SURFACE RESTORATION/RECLAMATION PLAN
As per surface use agreement.
SURFACE AGREEMENT: In negotiation.
CULTURAL RESOURCES/ARCHAEOLOGY: Will be done.
OTHER OBSERVATIONS/COMMENTS
<u>ATTACHMENTS</u>
Photos of this location were taken and placed on file.
Mark L. Jones June 06, 2003 / 11:30 am  DOGM REPRESENTATIVE DATE/TIME

### Evaluation Ranking Criteria and Ranking Score For Reserve and Onsite Pit Liner Requirements

FOI MODELVO and	onside vid mindi wedn	.L.L. GANGLIC D
Site-Specific Factors	Ranking	Site Ranking
Distance to Groundwater (feet) >200 100 to 200 75 to 100 25 to 75	0 5 10	:
<25 or recharge area	20	20
Distance to Surf. Water (feet) >1000 300 to 1000 200 to 300 100 to 200 < 100	0 2 10 15 20	2
Distance to Nearest Municipal Well (feet)		
>5280 1320 to 5280 500 to 1320 <500	0 5 10 20	0
Distance to Other Wells (feet) >1320	0	
300 to 1320 <300	10 20	0
Native Soil Type Low permeability Mod. permeability High permeability	0 10 20	0
Fluid Type Air/mist Fresh Water TDS >5000 and <10000 TDS >10000 or Oil Base Mud Fluid containing significant levels of hazardous constituents	0 5 10 15	0
Drill Cuttings		
Normal Rock Salt or detrimental	0 10	0
Annual Precipitation (inches) <10 10 to 20 >20	0 5 10	0
Affected Populations <10	0	
10 to 30 30 to 50 >50	6 8 10	10
Presence of Nearby Utility Conduits		
Not Present Unknown Present	0 10 15	0

22 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.
Sensitivity Level II = 15-19; lining is discretionary.
Sensitivity Level III = below 15; no specific lining is required.

Final Score





# UTAH DIVISION OF WATER RIGHTS WATER RIGHT POINT OF DIVERSION PLOT CREATED FRI, JUL 11, 2003, 2:22 PM PLOT SHOWS LOCATION OF 11 POINTS OF DIVERSION

PLOT OF AN AREA WITH A RADIUS OF 5280 FEET FROM A POINT S 1487 FEET, E 1215 FEET OF THE NW CORNER, SECTION 15 TOWNSHIP 15S RANGE 10E SL BASE AND MERIDIAN

PLOT SCALE IS APPROXIMATELY 1 INCH = 2000 FEET

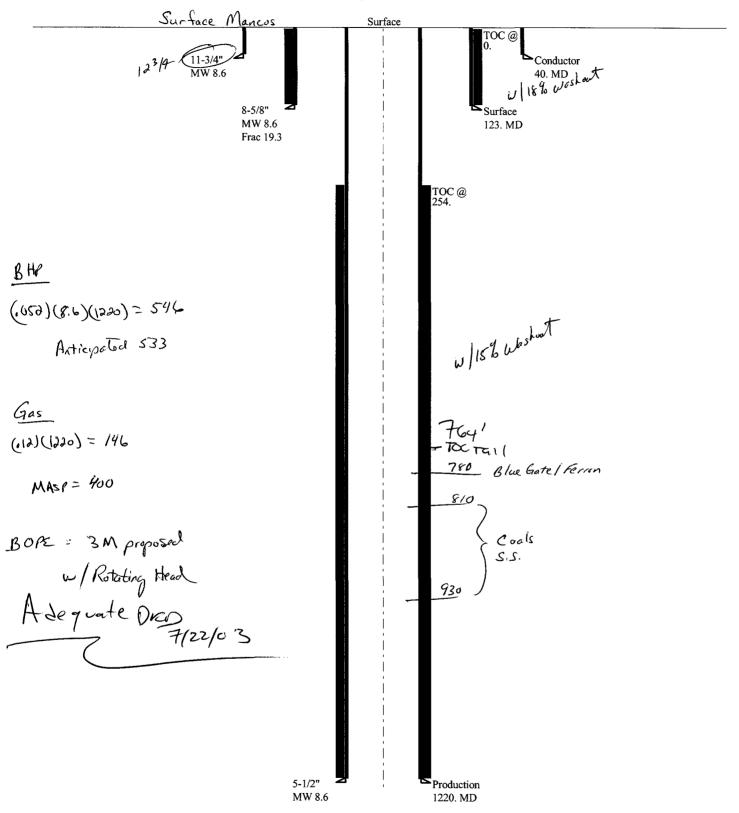
NORTH

### UTAH DIVISION OF WATER RIGHTS NWPLAT POINT OF DIVERSION LOCATION PROGRAM

												UΑ
MAP	WATER	QUANT	TY	SOURCE DESC	RIPTION c	or WELL INF	70 P0	DINT OF I	DIVERSION DE	ESCRIP	rion	ΝP
CHAR	RIGHT	CFS AND/C	R AC-FT	DIAMETER	DEPTH	YEAR LOG	NORTH	EAST	CNR SEC	MMT	RNG B&M	ΝP
		0000										
0 9	91 2323	.0000		Price River					DD T OD T ###	D	00/00/106	, •
		WATER USE(S): STOC									00/00/186	
		Draper, Asa & Beul	.ah						Wellir	igton		UT 8
1 9	91 2716		.00	Miller Creek								
		WATER USE(S): STOC	CKWATERING						PRIORITY	DATE:	00/00/186	9
		LDS Church, North	Carbon Stake	е					Price			UT 8
1 9	3278	.0000	.00	Miller Creek								
-		WATER USE(S): STO	KWATERING						PRIORITY	DATE:	00/00/186	9
		Sampinos, Nick and		8	97 North	100 East			Price			UT 8
		, i.i.d., i.i.d.		· ·								-
2 0	1 3290	.0000	0.0	Miller Creek								
	- 5250	WATER USE(S): STOC		01001					PRIORITY	DATE.	00/00/186	9
		Easton, A. J.	DILLIE LEWIS.	ъ	oute #1				Price	DAID.		UT 8
		Easton, A. U.		А	ouce #1				Pilce			01 0

3	91 3290	.0000 WATER USE(S): STOCKWATERING Easton, A. J.	3	Creek  Route #1	PRIORITY DATE: Price	
4	91 3289	.0000 WATER USE(S): STOCKWATERING Feichko, Andrew		Creek	PRIORITY DATE: Carbonville	
4	91 3280	.0000 WATER USE(S): STOCKWATERING Feichke, Frank H. and Caro	3	Creek	PRIORITY DATE: Price	
5	91 3289	.0000 WATER USE(S): STOCKWATERING Feichko, Andrew		Creek	PRIORITY DATE: Carbonville	
6	91 3280	.0000 WATER USE(S): STOCKWATERING Feichke, Frank H. and Caro	3	Creek	PRIORITY DATE: Price	
7	91 3279	.0000 WATER USE(S): STOCKWATERING Anderson, Clarence (Estate)	3	Creek 190 North Carbon Avenue	PRIORITY DATE: Price	
7	91 3279	.0000 WATER USE(S): STOCKWATERING Anderson, Clarence (Estate)	3	Creek 190 North Carbon Avenue	PRIORITY DATE: Price	00/00/1869 UT 8

Casing Schematic



Well name:

07-03 ConocoPhillips Feichko 15-674

Operator:

PhillipsConoco Company

String type:

Surface

Project ID:

43-007-30926

Location:

Carbon County

**Design parameters:** 

**Collapse** 

Mud weight:

8.600 ppg

Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125 **Environment:** 

H2S considered? Surface temperature: No 65 °F

67 °F Bottom hole temperature: Temperature gradient: 1.40 °F/100ft

Minimum section length:

Non-directional string

123 ft

**Burst:** 

Design factor

1.00

Cement top:

Surface

**Burst** 

Max anticipated surface

No backup mud specified.

pressure: Internal gradient: Calculated BHP

0 psi

0.447 psi/ft

55 psi

**Buttress:** 

**Tension:** 

Premium:

Body yield:

8 Round STC: 8 Round LTC:

1.80 (J) 1.60 (J) 1.50 (J)

1.50 (B)

1.80 (J)

Tension is based on air weight. Neutral point: 107 ft

Re subsequent strings: Next setting depth: Next mud weight:

5,000 ft 8.600 ppg 2,234 psi

Next setting BHP: Fracture mud wt: Fracture depth:

Injection pressure

19.250 ppg 650 ft 650 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	123	8.625	24.00	J-55	ST&C	123	123	7.972	5.9
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load	Tension Strength	Tension Design
4	. ,	,		** /	,		(Lyps)	(Kips)	Factor
1	(psi) 55	1370	24 931	(psi) 55	( <b>psi)</b> 2950	53.68	(Kips) ੨	(Kip:	•

Prepared

Clinton Dworshak

Utah Div. of Oil & Mining by:

Date: July 16,2003 Salt Lake City, Utah

**ENGINEERING STIPULATIONS: NONE** 

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 123 ft, a mud weight of 8.6 ppg The casing is considered to be evacuated for collapse purposes. Burst strength is not adjusted for tension.



07-03 ConocoPhillips Feichko 15-674

Operator:

**PhillipsConoco Company** 

String type:

Production

Project ID:

Location:

**Carbon County** 

43-007-30926

Design parameters:

<u>Collapse</u>

Mud weight: Design is based on evacuated pipe.

Collapse: 8.600 ppg

Minimum design factors: Design factor

1.125

**Environment:** 

H2S considered? Surface temperature: No 65 °F

Bottom hole temperature: 82 °F Temperature gradient: 1.40 °F/100ft Minimum section length: 368 ft

**Burst:** 

Design factor

1.00

1.80 (J)

1.80 (J)

1.60 (J)

Cement top:

254 ft

**Burst** 

Max anticipated surface

No backup mud specified.

pressure:

0 psi

Internal gradient: Calculated BHP

0.447 psi/ft 545 psi

8 Round STC:

Buttress: Premium:

Body yield:

**Tension:** 

8 Round LTC:

1.50 (J) 1.50 (B)

Tension is based on air weight. Neutral point: 1,061 ft Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	1220	5.5	17.00 -	N-80 /	LT&C /	1220	1220	4.767	42
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	545	6290	11.540	545	7740	14.20	21	` 348	16.78 J

Prepared

Clinton Dworshak

Utah Div. of Oil & Mining by:

Date: July 16,2003 Salt Lake City, Utah

**ENGINEERING STIPULATIONS: NONE** 

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 1220 ft, a mud weight of 8.6 ppg. The casing is considered to be evacuated for collapse purposes. Burst strength is not adjusted for tension.

# AFFIDAVIT CONCERNING SURFACE USE AGREEMENT

STATE OF COLORADO	}
COUNTY OF LARIMER	}

**DEANNA J. WALKER,** being first duly sworn upon her oath, deposes and says:

- I am a Senior Real Estate Specialist in the Property Tax, Real Estate, Right of Way and Claims Organization of ConocoPhillips Company, a Delaware corporation duly authorized to transact business in the State of Utah, ("COPC") and am authorized to execute this Affidavit on behalf of said corporation.
- 2. The Violet Feichko Family Trust., ("Surface Owner") owns the surface estate of property located in the Northwest One-quarter and the Southwest One-quarter of Section 15, Township 15 South, Range 10 East, S.L.B.&M., Carbon County, Utah ("Property").
- 3. COPC owns or operates oil and gas rights, including mineral leases, and may become holder of other oil and gas rights, including mineral leases, underlying and in the vicinity of the Property ("Leases") and desires to enter on the Property for the purposes of conducting oil and gas operations related to such oil and gas rights, including mineral leases.
- 4. The Surface Owner executed a Surface Use and Damage Agreement effective as of the 15<sup>th</sup> day of May 2003, which covers the Property. In addition to other agreements and as required by the State of Utah Division of Oil, Gas and Mining, Oil and Gas Conservation General Rules, R649-3-34 ("Well Site Restoration Rules"), the Surface Use and Damage Agreement sets forth the agreement between the parties for the protection of surface resources, reclamation of the Property and well site restoration, or damages in lieu thereof, for the surface pad locations for COPC's Feichko 15-674 and Feichko 15-675 wells and associated infrastructure, which will be located on the Property. A Memorandum of Surface Use and Damage Agreement is being filed in the public records of Carbon County, Utah.
- 5. I execute and record this affidavit in accordance with the requirements of the Well Site Restoration Rules.

6. The matters stated herein are true of my own knowledge, except to any matters stated herein upon information and belief, and, as to those matters, I believe them to be true.

DATED this 4<sup>th</sup> day of June, 2003.

DEANNA J. WALKER

ConocoPhillips Company
Property Tax, Real Estate,
Right of Way and Claims
Senior Real Estate Specialist

Subscribed, sworn and acknowledged to and by Deanna J. Walker before me this  $4^{\text{th}}\,$  day of June, 2003.

NOTARY PUBLIC

For the State of Colorado

My Commission Expires:

October 15, 2005



ConocoPhillips Company Property Tax, Real Estate, Right of Way & Claims

P.O. Box 105 Livermore, CO 80536

June 4, 2003

Diana Mason
State of Utah Department of Natural Resources
Division of Oil, Gas and Mining
Oil and Gas Program
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Dear Ms. Mason:

ConocoPhillips Company (COPC) plans to drill the Feichko 15-674 and 15-675 natural gas wells, which will be located respectively in the Northwest One-quarter and the Southwest One-quarter of Section 15, Township 15 South, Range 10 East, S.L.B.&M., Carbon County, Utah. COPC has filed an Application for Permit to Drill (APD) for each of these wells with the State of Utah Division of Oil, Gas and Mining. The Violet Feichko Family Trust ("Surface Owner") owns the surface estate of the property underlying each of these well locations.

The Surface Owner executed a Surface Use and Damage Agreement effective as of May 15, 2003, pursuant to the State of Utah Division of Oil, Gas and Mining, Oil and Gas Conservation General Rules, R659-3-34 ("Well Site Restoration Rules). The Agreement covers the property described above and includes an agreement between the Surface Owner and COPC for the protection of surface resources, reclamation of the subject surface property and well site restoration, or damages in lieu thereof, for the surface locations for each of the subject wells. Enclosed are two Affidavits Concerning Surface Use Agreement evidencing COPC's agreement with the Surface Owner for each of these wells.

Please advise Jean Semborski with COPC or me if you have questions or require additional information regarding the subject Surface Use Agreement.

Sincerely,

Deanna J. Walker

Phone: 970-498-9677 Fax: 970-498-9687

E-mail: Deanna.J.Walker@conocophillips.com

RECEIVED

Enc.

JUN 0 9 2003

cc: Jean Semborski, ConocoPhillips Company

DIV. OF OIL, BAS & MINING



Michael O. Leavitt Kathleen Clarke **Executive Director** Lowell P. Braxton Division Director 801-538-7223 (TDD)

1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax)

July 23, 2003

ConocoPhillips Company P O Box 851 Price, UT 84501

Re:

Feichko 15-674 Well, 1487' FNL, 1215' FWL, SW NW, Sec. 15, T. 15 South, R. 10 East,

Carbon County, Utah

### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-30926.

Iohn R. Baza

Associate Director

pab **Enclosures** 

cc: Carbon County Assessor

Location: SW NW	<b>Sec.</b> 15	T. 15 South	<b>R.</b> 10 East			
Lease:	Fee	<u> </u>				
API Number:	43-007-30926					
Well Name & Number	Feichko	15-674				
Operator:	ConocoPhillips Company					

### **Conditions of Approval**

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

### 2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

### 3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)



State of Utah

Department of Natural Resources

ROBERT L. MORGAN Executive Director

Division of Oil, Gas & Mining

LOWELL P. BRAXTON Division Director OLENE S. WALKER

GAYLE F. McKEACHNIE
Lieutenant Governor

September 21, 2004

Jean Semborski ConocoPhillips Company P O Box 851 Price, UT 84501

Re:

<u>APD Rescinded – Feichko 15-674 Sec. 15, T. 15S, R. 10E Carbon County, Utah API No. 43-007-30926</u>

Dear Ms. Semborski:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on July 23, 2003. On September 21, 2004, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective September 21, 2004.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Whitney

**Engineering Technician** 

cc: Well File

Gil Hunt, Technical Services Manager

